SHIFT

The intelligent transformation of fraud protection

A customer-centric direct insurer wanted to improve its risk modelling to combat insurance fraud. The organization needed a solution that would ensure it remained compliant and aligned with state insurance department regulations. It had to provide peace of mind for client insurance carriers while including robust cloud protection and AI monitoring tools.

The insurer initiated a collaboration with Shift Technology to build a high-performance computing platform with built-in security and core-to-edge connectivity. Shift Technology was chosen because of its proven track record in providing AI decisioning solutions to the global insurance industry and because it focused on automating and optimizing processes that improve customer experiences and increase operational efficiency.
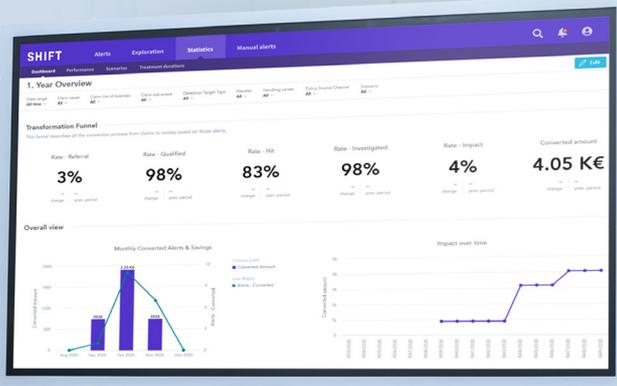
Hybrid and edge compute applications built and run consistently across the IT ecosystem

Pay-for-use capacity on demand

Confidently meet regulatory requirements with an elastic infrastructure for risk modeling

ROI within the first year for Claims Fraud Detection exceeded 3X and on track for 6X ROI within the second year

INDUSTRY: Financial Services

SUB-VERTICAL: Cloud services

INDUSTRY PRIORITY SCENARIO: Combat insurance fraud using improved risk modeling to leverage the speed and scale of cloud

Microsoft Azure

Intelligence baked in

Shift Technology created an Azure stack incorporating Microsoft Azure, Microsoft Azure Artificial Intelligence (AI) and Machine Learning, high-performance computing, and Azure Security. The solution included AI and machine learning models designed to analyze insurance data and thereby detect potential fraud. The solution was bolstered by third-party external data and entity reconstruction models.

Microsoft Azure was selected because it provided a robust and reliable platform with proven functionality and security as well as measurable cost efficiencies. As a result, Shift Technology was able to build, deploy, and run hybrid and edge compute applications consistently across its IT ecosystem while embedding flexibility to handle diverse workloads. The solution was also compliant and secure, so it could confidently meet regulatory requirements with an elastic and intelligent infrastructure for risk modeling.

The initial deployment resulted in two parallel solutions—Claims Fraud Detection and Shift Underwriting Risk Detection—working together to provide a holistic approach to insurance fraud detection. This let the insurer stop payment on fraudulent claims and prevented premium leakage from its book of business.

An invaluable solution

Within the first year of implementing Shift Claims Fraud Detection, the solution had delivered 3X return on investment (ROI), and was projected to deliver 6X ROI by the end of year two. The deployments have allowed the customer to write more business and, in close collaboration with Shift, to develop a series of effective fraud strategies with Shift Claims Fraud Detection at the center.

In addition, the insurer has experienced fewer false positives when referring claims to the Special Investigations Unit, plus a commensurate increase in annual fraud savings. The insurer has also experienced an increase in referrals to underwriting.

This resulted in corrective action to either increase a premium based on the risks ensured, or to cancel or non-renew risks that exceeded the company's underwriting guidelines.

"With Microsoft Azure, Shift Technology has been able to bring its solutions to an even higher level of performance. While we bring the data science expertise, using Azure as a processing substrate gives us access to higher levels of real time fraud and underwriting risk detection, but without the possibility of compromising our client's sensitive data. To put it simply, Azure brings us more success, faster—helping us help our client and their policyholders in the global fight against insurance fraud."
- Arnaud Grapinet, Chief Data Scientist at Shift Technology.
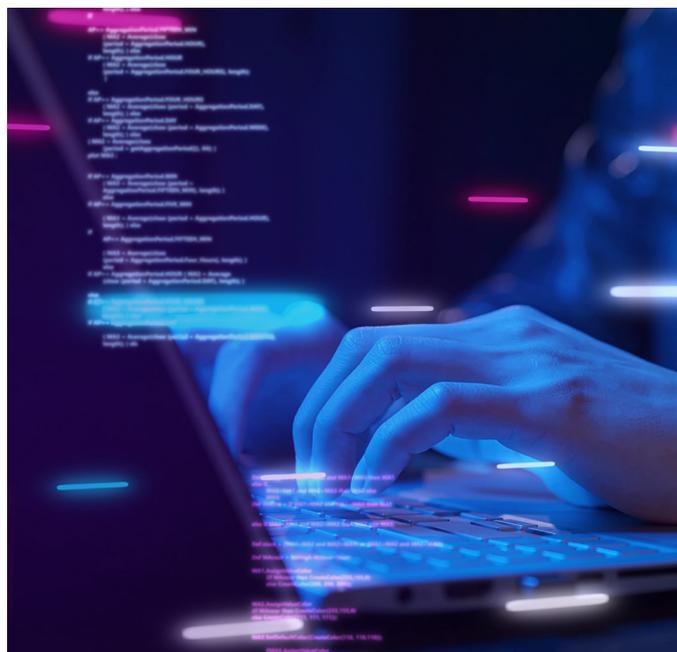
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About Shift Technology

Shift was founded on the belief that Artificial Intelligence (AI) has the potential to unlock the future of insurance, solve difficult challenges, and empower insurers to see more, do more, and be more for their customers.

Microsoft Azure